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ABSTRACT

This unit provides high school students with criteria for deciding to buy a new or used car and selecting a reputable dealer. It is divided into three sections. In the first section students analyze uses and identify car sizes, options, and appearances that are important. The second section describes advantages and disadvantages of new and used cars and the third section describes how to tell a reputable dealer from a nonreputable one. Students play games in which they answer hypothetical questions about their automobile needs, list advantages of purchasing a new or used car, analyze feelings about car ownership, find articles in consumer magazines about purchasing cars, and survey reputations of car dealers at the Better Business Bureau. Directions for making activities and games, objectives, a materials list, and reproducible pre- and posttests are included in the teacher's guide. Approximate class time for the unit is four to six hours. (KC)

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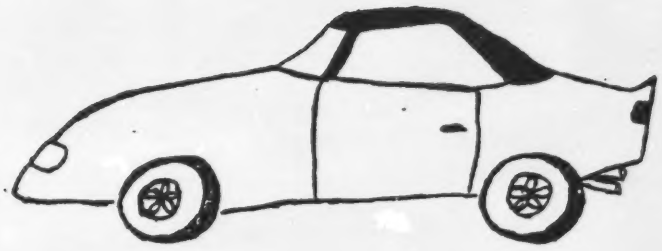
THINGS YOU "AUTO" KNOW WHEN BUYING A CAR



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WRITTEN BY: JANET BOOKOUT

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TEACHER'S GUIDE

Project COST
ESEA Title IV
Kansas State Dept. of Education
USD 449
Easton, KS 66020

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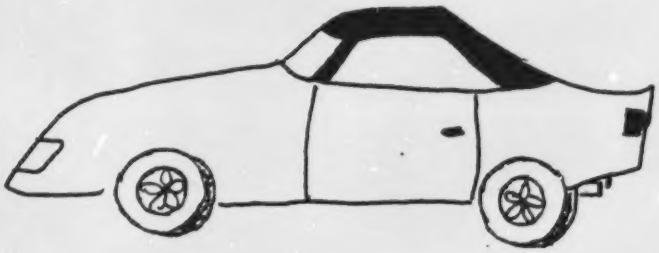
PACKAGE RESUME FORM

Things You "Auto" Know



PUBLICATION DATE: Spring 1980

LEVEL/SUBJECT: Grades: 10, 11, 12

AUTHOR: Janet Bookout

TITLE: Things You "Auto" Know When Buying A Car

ABSTRACT:

The purpose of this capsule is to help students decide whether a new or used car would best meet their needs and wants and how to select a reputable dealer. The capsule is divided into three sections: (1) Size, Options, and Appearance; (2) New or Used Cars; and (3) Reputable Dealers. The first section ask the student to analyze uses and identify size, options, and appearance that are important to the student in a car. The second section describes the advantages and disadvantages of new and used cars. The third section describes how you can tell a reputable dealer from the non-reputable ones.

This capsule is designed for the average high school student. Completion time is 4-6 hours.

OBJECTIVES

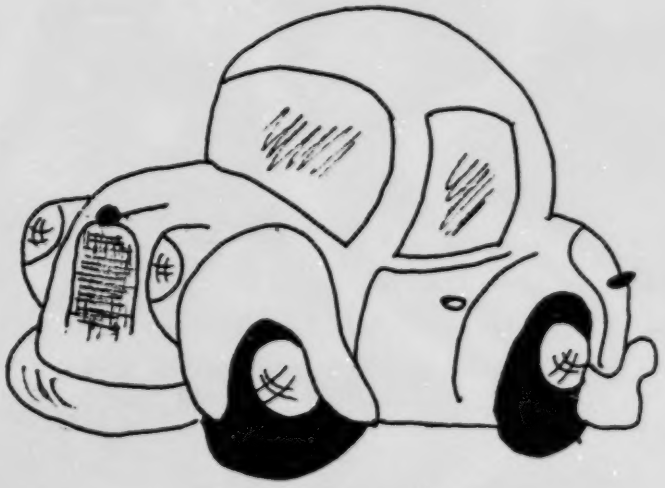
Upon completion of this capsule the student should be able to:

* analyze the possible uses of his/her future car.

* identify size, options, and appearance that are essential to him/her.

* identify advantages of buying a new car over a used car and the advantages of buying a used car over a new car.

* determine how to select a reputable dealer.



SPECIAL INSTRUCTIONS

Activity 10 tells the student to arrange for a guest speaker. Be sure to check on the date and time. Remind the student to send an appropriate thank you note.

If the student decides to do Quest Activity 2, it will take several months to get this film after ordering.

MATERIALS LIST

magazines
scissors
poster board
consumer magazines
art supplies
construction paper
glue

DIRECTIONS FOR MAKING ACTIVITIES AND GAMES

ACTIVITY #4

Materials Needed:

2 large pizza wheels
unlined index cards for game cards
pictures of a variety of cars
laminating materials (optional)
rubber cement or glue
felt-tip pens or typewriter
scissors
ruler
1" or 1½" brads

GAME BOARD & CARDS

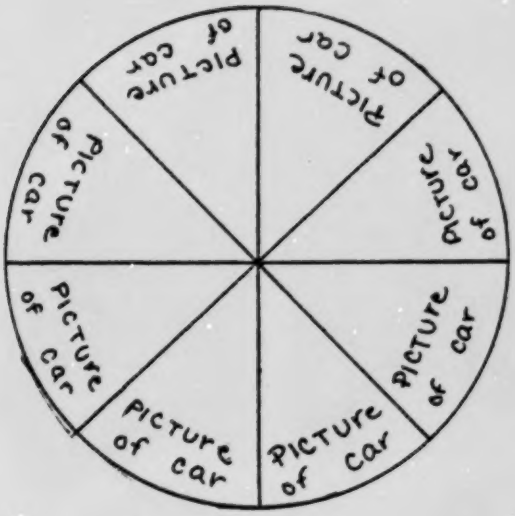
1. Cut out pictures of cars--select a variety of sizes and models. Approximately 6-8 cars. Pictures should not be larger than 4" wide.

2. Divide with a ruler one of the pizza wheels into 6-8 sections (depending on how many pictures you have) as if you were cutting a pizza or a pie.

3. Using rubber cement or glue, attach the cars to the pizza wheel towards the outer edge of the wheel with all of the cars facing the same direction.

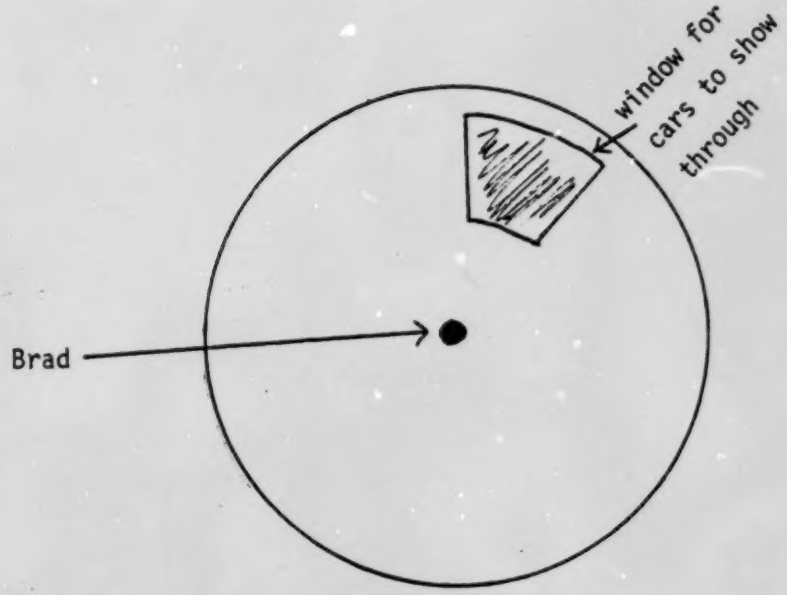
4. Cut a slot on the second pizza wheet so that when it is placed on top of the first pizza wheel only one car will show through as the top wheel is turned.

5. Afix the second wheel to the first by putting a hole in the center of both wheels and securing them with a brad.
(See illustration on next page.)



First or Bottom

Pizza Wheel



Second or Top

Pizza Wheel

DIRECTIONS FOR MAKING GAMES AND ACTIVITIES (CON'T)

6. Type or print (with fine-tip marker) the following statements on a separate game card. You can add to this list if you like. Laminate the cards so that they will be more durable. You could make the cards more interesting by gluing a small picture of a car to the reverse side of each before laminating.

    1. You are a traveling salesman--would this be a good car for you? Name 2 advantages and 2 disadvantages.
    2. You work in the heart of a busy city, will this car be be easy to parallel park or park in a crowded lot?
    3. You carpool to work with 4 other people--will this car accommodate your needs?
    4. You have 6 members in your family, will this car be adequate?
    5. You need a car to haul equipment or supplies, will this car meet your needs?
    6. You are looking for a second car for your family. It will be used simply to run errands. Is this the car you need?
    7. Look at the style of this car, how will it meet your wants? your needs?
    8. This car gets 30 miles to the gallon, will it meet your needs?
    9. This car gets 13 miles to the gallon on the highway, will it meet your needs?
    10. You are purchasing this car for your grandparents, will it meet their needs?
    11. You will be a college student next year commuting 50 miles a day to school, will this car meet your needs? Explain.
    12. You are a musician, your band and equipment travels with you, is this the car you need?
    13. You are independently wealthy, how will this car meet your needs and wants?

DIRECTIONS FOR MAKING GAMES AND ACTIVITIES (CON'T)

7. Type the following directions for playing the game and glue them to the back of the first or bottom pizza wheel. You may want to laminate them.

DIRECTIONS:

a. Spin the top pizza wheel.

b. Look at the car that is in the "window".

c. Draw a card and read the question.

d. Think through the situation you are given and make a decision appropriate for your own needs and wants keeping in mind the car you are looking at.

e. If you are playing this game with a friend, allow time for discussion as each of you selects a gamecard and makes a decision.

f. After playing the game, reread the instructions in the Student Capsule.

Things You "Auto" Know

PRE-TEST

NAME Key DATE _____

1. Put a (✓) by the factors listed below which should be considered before buying a car.

_____ a. what kind of car your friends drive

✓ b. size

✓ c. your wants

_____ d. where the factory is located

✓ e. options

✓ f. the uses you will have for this car

✓ g. the dealer's reputation

Put "T" in the space if the statement is true. Put "F" in the space if the statement is false.

F 2. One advantage of buying a new car is that generally the insurance costs will be lower than if you buy a used car.

F 3. If you buy a used car, you usually will have lower repair bills than if you buy a new car.

T 4. Taxes are lower on a used car most of the time.

T 5. As a good consumer, it is logical to be skeptical of a car dealer who used tricky sales tactics to sell cars.

Things You "Auto" Know

POST-TEST

NAME Key DATE _____

Circle the answer that best completes the statement.

1. Before buying a car, it is a good idea to think about

   a. the type of car you need.

   b. the type of car you want.

   c. the uses that you will have for this car.

   (d.) all of the above.

2. As you are comparison shopping for a car, which of the following are important considerations?

   (a.) size, options & appearance

   b. what kind of car everyone else is driving

   c. where the factory is located

   d. none of the above

3. Write an "N" for new or a "U" for used by each of the following indicating whether or not they are an <u>advantage</u> for buying a new or used car.

   N a. appearance

   U b. lower taxes

   N c. warranty

   N d. comfort

   U e. lower insurance costs

Things You "Auto" Know

POST-TEST (CON'T)

Put a "T" in the space if the statement is true. Put "F" in the space if the statement is false.

T 4. A reputable dealer for buying either new or used cars does not offer outrageous claims such as selling you a car for $5 down.

T 5. Before buying a car from any dealer, it is a good idea to compare the price asked for a car with the suggested Blue Book price.

F 6. As a rule, even a reputable dealer will refuse to let a customer have a car checked out by a mechanic before it is purchased.

Name KEY Date _____

CLOUD #1 Advantages-New Car

1. Appearance
2. Comfort
3. Reliability
4. Warranty

CLOUD #2 Advantages-Used Car

1. Lower Costs
2. Lower Taxes
3. Lower Insurance Costs
4. Less Depreciation

CLOUD #3 Decision

Answers will vary.

WORKSHEET #4

Name KEY Date _____

Read the cases below and discuss 2 out of 3 of the cases on the lines provided.

#1. You are shopping for a brand new Taurusmobile. You go to Dealer A where a salesperson says you can have the car for $3,200. You go on to Dealer B, whose best price is $4,300. When you return to Dealer A, you are told the manager will not approve the price you were quoted. But the manager will let you have the Taurusmobile for $4,350 and throw in a free undercoating. What should you do? Why?

Answers will vary. Check to see what the going price is for undercoating to determine if this is a good price or not. You could possibly approach Dealer B and see if they will undercoat the car and still sell it for $4300.

#2. You want to buy a used car. You see a model you like, priced at $2,200. Handsome Harry says his business is slow, so he will let you have it for the special price of $1,990. How can you find out if this is a good deal?

Check the Blue Book Value and/or the Red Book Value.

#3. Your brand new car stalls out frequently. You have taken it back for warranty work four times, but it still stalls out. The dealer tells you to be patient. They'll work on it again next week. What should you do? Why?

Talk with the manager of the dealership and explain your situation. If you still do not get satisfactory results, write to the manufacturer and send in copies of all of the service reports. Be sure to be prompt as this could go on past the warranty period, on purpose.

Section Three

Self-Check--Key

1. How do you establish who is a reputable dealer?

   a. Ask friends or family about their dealings with this dealer;
   b. Check with the Better Business Bureau;
   c. Be cautious of extravagant ads or flamboyant claims;
   d. Check with the Blue Book or Red Book for fair pricing;
   e. Be aware of the types of tricky sales tactics often used;
   f. Ask for a written warranty;
   g. Ask to see the service facilities and a explanation of their service department;
   h. Have any car you are considering examined by a mechanic--he can tell you if you are being "ripped off" quality-wise.

2. What type of individual would you trust most?

   A dealer who has a good word-of-mouth reputation in town for fair prices and good service. One who does not try to convince you to buy through the use of obviously shadey sales practices and cooperates with you in having the car examined by a good mechanic. This salesman would explain the warranty to you in clear terms and offer to show you or tell you about the service department.

3. What do you base your judgments on?

   All of the points listed above weighing out the advantages and disadvantages of each dealership with your own needs and wants.

4. ANSWERS WILL VARY.

APPENDIX

This appendix contains copies of all worksheets and assessments. These copies may be used to make your own classroom quantity copies. To use, unstaple the sides of the teacher's guide and remove the worksheet and assessment pages. Restaple the remaining pages of the teacher's guide.

Things You "Auto" Know

PRE-TEST

NAME _____ DATE _____

1. Put a (✓) by the factors listed below which should be considered before buying a car.

_____ a. what kind of car your friends drive

_____ b. size

_____ c. your wants

_____ d. where the factory is located

_____ e. options

_____ f. the uses you will have for this car

_____ g. the dealer's reputation

Put "T" in the space if the statement is true. Put "F" in the space if the statement is false.

_____ 2. One advantage of buying a new car is that generally the insurance costs will be lower than if you buy a used car.

_____ 3. If you buy a used car, you usually will have lower repair bills than if you buy a new car.

_____ 4. Taxes are lower on a used car most of the time.

_____ 5. As a good consumer, it is logical to be skeptical of a car dealer who used tricky sales tactics to sell cars.

Things You "Auto" Know

POST-TEST

NAME _____ DATE _____

Circle the answer that best completes the statement.

1. Before buying a car, it is a good idea to think about

   a. the type of car you need.

   b. the type of car you want.

   c. the uses that you will have for this car.

   d. all of the above.

2. As you are comparison shopping for a car, which of the following are important considerations?

   a. size, options & appearance

   b. what kind of car everyone else is driving

   c. where the factory is located

   d. none of the above

3. Write an "N" for new or a "U" for used by each of the following indicating whether or not they are an <u>advantage</u> for buying a new or used car.

   _____ a. appearance

   _____ b. lower taxes

   _____ c. warranty

   _____ d. comfort

   _____ e. lower insurance costs

Things You "Auto" Know

POST-TEST (CON'T)

Put a "T" in the space if the statement is true. Put "F" in the space if the statement is false.

_____ 4. A reputable dealer for buying either new or used cars does not offer outrageous claims such as selling you a car for $5 down.

_____ 5. Before buying a car from any dealer, it is a good idea to compare the price asked for a car with the suggested Blue Book price.

_____ 6. As a rule, even a reputable dealer will refuse to let a customer have a car checked out by a mechanic before it is purchased.

WORKSHEET #1

Name _____ Date _____

Complete these sentences to analyze your feelings about car ownership. Turn this worksheet in to your teacher when you finish.

1. I would sacrifice these five things to own a car:

   (1) _____

   (2) _____

   (3) _____

   (4) _____

   (5) _____

2. To me, owning a new car means: _____

   _____

   _____

3. To me, owning a used car means: _____

   _____

   _____

4. The worst thing about buying a new car is: _____

   _____

   _____

WORKSHEET # 1 (con't) Name _____

5. The worst thing about buying a used car is: _____

_____

_____

6. The best thing about buying a new car is: _____

_____

_____

7. The best thing about buying a used car is: _____

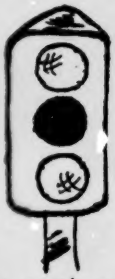
_____

_____

Activity 3
Page 1

WORKSHEET #2

Name _____ Date _____

"Take Pre 'CAUTION'  Set Your Priorities Before Driving Away"

is designed to help you sort out those things most important to you in buying a car before you begin actually looking for a car and become confused and/or influenced by a fast talking salesperson.

Using the attached paper on page 3 of this worksheet and the list on the next page, rate these things that you "AUTO" consider when buying a car. On page 3 of this worksheet, Quadrant #1 would have the list of the items that you feel are most important to consider where as Quadrant #4 would have the list of the least important things to consider when buying a car. Mark through each item on the next page as it is listed on page 3. You might think of other considerations that are important to you besides the ones listed. Feel free to list them too. You do not have to use all of those listed.

Activity 3

Page 2

WORKSHEET #2

Things you "AUTO" consider when buying a car.

OPTIONS:

Sport Wheels
Cassette or 8-Track Tape Deck
Power Windows
Power Door Locks
Power Seats
Sun Roof
Am/Fm Stereo
T- Top
Tinted Windshield
Tilt Steering Wheel
Power Steering
Cruise Control
Disc Brakes
Digital Clock
Radial Tires
Air Conditioning
Automatic Transmission
Fancy Upholstering

APPEARANCE
USEFULNESS
COLOR
NEW
USED
COST
AGE
SIZE
STYLE
VALUE
BODY CONDITION
GAS MILEAGE
DEALER

Activity 3
Page 3

WORKSHEET #2

On the lines below list the considerations from page 2 in the Quadrant where the considerations fit in terms of your needs and wants.

QUADRANT ONE--VERY IMPORTANT	QUADRANT TWO--IMPORTANT
QUADRANT THREE--SOMEWHAT IMPORTANT	QUADRANT FOUR--NOT IMPORTANT

After you finish your sorting, make a list of the top 5 items in priority order on the back of this page. These are the things that are most important to you. Keep this; you will use it later.

WORKSHEET #3

Name _____ Date _____

CLOUD #1 Advantages-New Car

1. _____
2. _____
3. _____
4. _____

CLOUD #2 Advantages-Used Car

1. _____
2. _____
3. _____
4. _____

CLOUD #3 Decision

WORKSHEET #4

Name _____ _____ Date _____

Read the cases below and discuss 2 out of 3 of the cases on the lines provided.

#1. You are shopping for a brand new Taurusmobile. You go to Dealer A where a salesperson says you can have the car for $3,200. You go on to Dealer B, whose best price is $4,300. When you return to Dealer A, you are told the manager will not approve the price you were quoted. But the manager will let you have the Taurusmobile for $4,350 and throw in a free undercoating. What should you do? Why?

_____

_____

_____

#2. You want to buy a used car. You see a model you like, priced at $2,200. Handsome Harry says his business is slow, so he will let you have it for the special price of $1,990. How can you find out if this is a good deal?

_____

_____

_____

#3. Your brand new car stalls out frequently. You have taken it back for warranty work four times, but it still stalls out. The dealer tells you to be patient. They'll work on it again next week. What should you do? Why?

_____

_____

_____

RECORD SHEET

Name _____

PRE-TEST SCORE: _____ POST-TEST SCORE: _____

****

SECTION 1

Activity #1 A. _____ OR B. _____ OR C. _____

Activity #2, Worksheet #1 _____ Activity #4 _____

Activity #3, Worksheet #2 _____ Self-Check _____

****

SECTION 2

Activity #5, Worksheet #3 _____ Activity #7a _____

or

Activity #6 _____ Activity #7b _____

****

SECTION 3

Activity #8 _____ OR Activity #9 _____

Activity #10 _____ OR Activity #11 _____

Activity #12, Worksheet #4 _____

Activity #13 _____

Self-Check _____

****

QUEST #1 _____ QUEST #2 _____

THINGS YOU "AUTO" KNOW WHEN BUYING A CAR

WRITTEN BY: JANET BOOKOUT

ILLUSTRATED BY: SHERRY ANDERSON

STUDENT CAPSULE

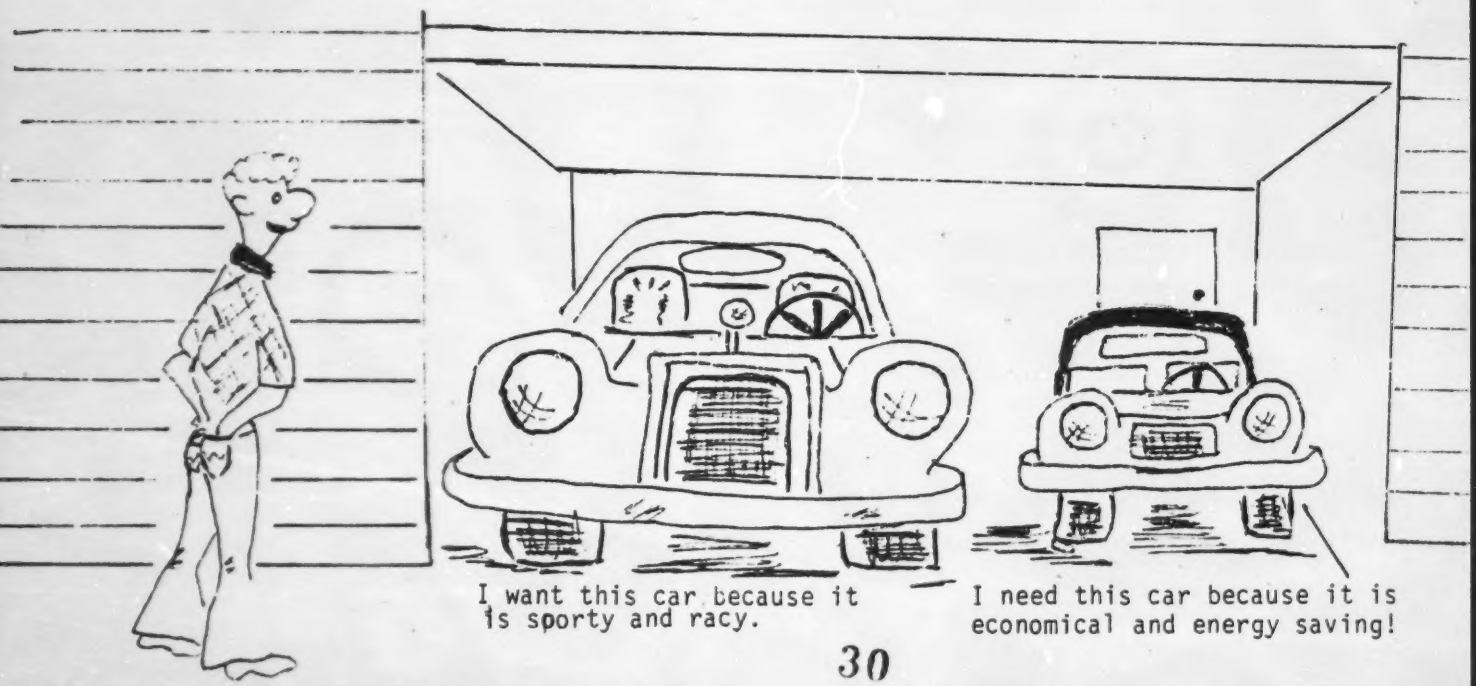
Project COST
ESEA Title IV
Kansas State Dept. of Education
USD 449
Easton, KS 66020

INTRODUCTION

Today one-third of all American families own two or more automobiles. Next to housing, the purchase, operation, and maintence of an automobile is probably the most expensive financial responsibility the average individual or family assumes. In order to determine a good automobile buy, one must first weigh one's wants versus one's needs.

Ask your teacher for the pre-test to this capsule and complete it. Return it to your teacher as soon as you are finished. Your teacher will tell you what to do next. Some of you may not need to complete the entire capsule and others may need to complete each section.

This capsule is designed so that you can work at your own pace; however, it is not expected that it should take you more than 4 to 6 hours of instructional time.



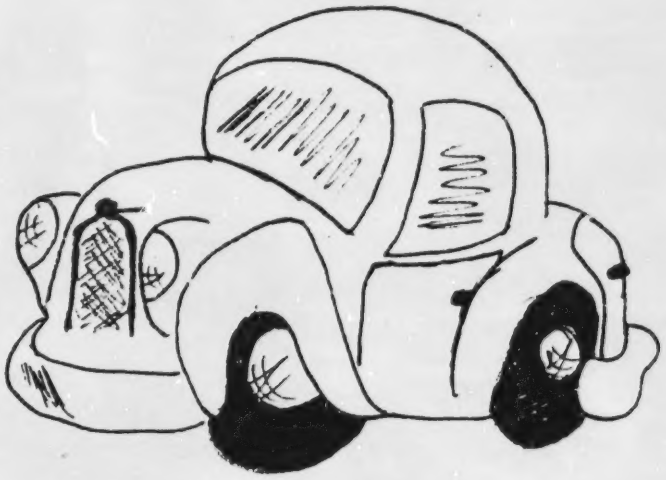
After completing this capsule, you "auto" be able to:

* analyze the possible uses of your future car.

* identify size, options, and appearance that are essential to you.

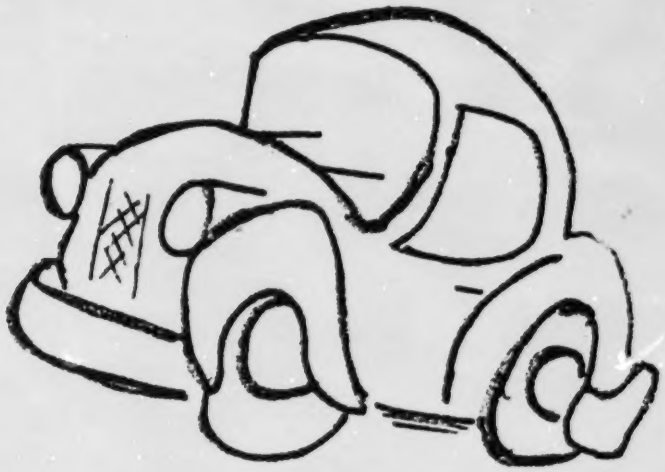
* identify advantages of buying a new car over a used car and the advantages of buying a used car over a new car.

* determine how to select a reputable dealer.



SIZE OPTIONS

SECTION 1

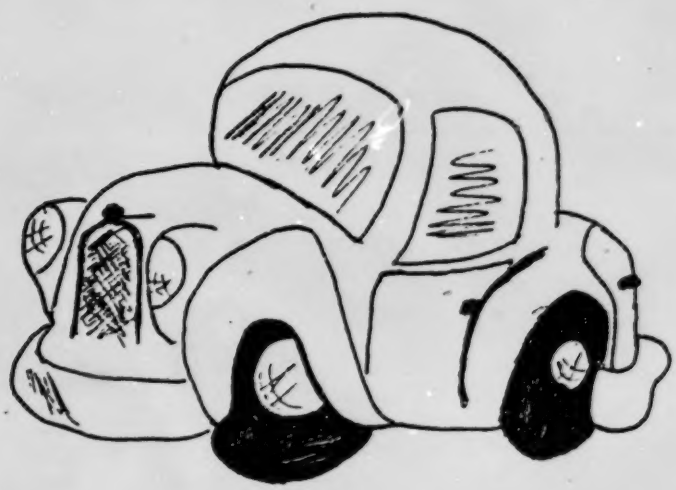


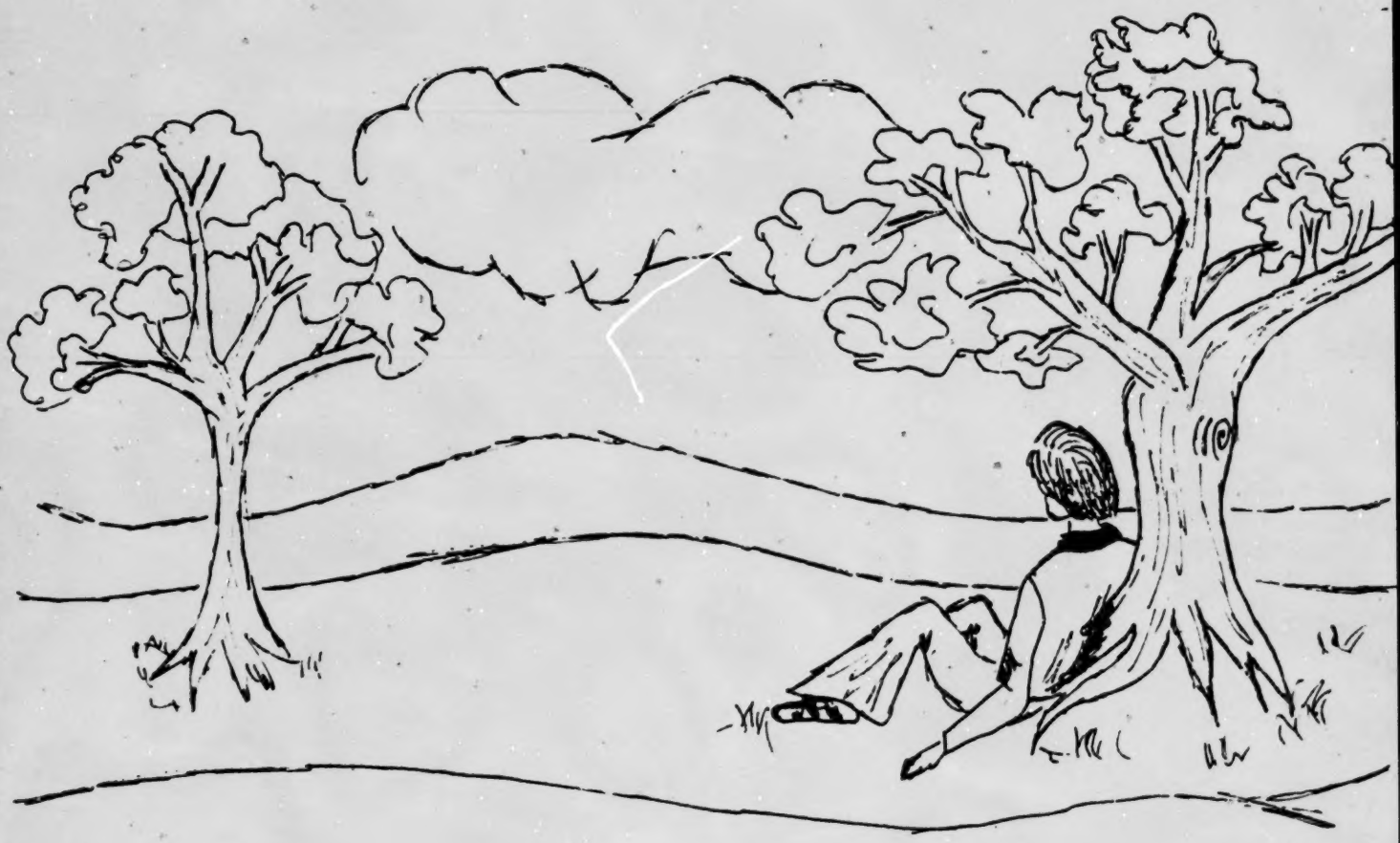
Appearance

After completing this section you "auto" be able to:

* analyze the possible uses of your future car.

* identify size, options, and appearance that are essential to you.





Can you see yourself in this picture? Do you daydream about things you would like to have? But do you think of it in terms of what you <u>want</u> and what you <u>need</u>? Think for a moment about a car. A person sees all kinds of cars every day. Possibly without realizing it, you make comments about passing cars to yourself or to friends.

If you could choose a car, what would come to your mind? Daydream about this car for a moment. . . Now that you have dreamed about "your car" let's put these thoughts down on paper.

ACTIVITY #1

You must choose at least one of the following activities and turn it in to your teacher.

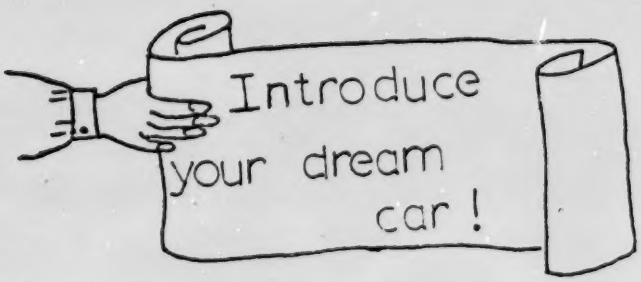
Daydream about the car of your choice . . . . . NOW, specifying the options, exact appearance, etc. :

A. Draw your car. OR

B. Cut out pictures from magazines showing the car. Mount these pictures on poster board or make a collage. OR

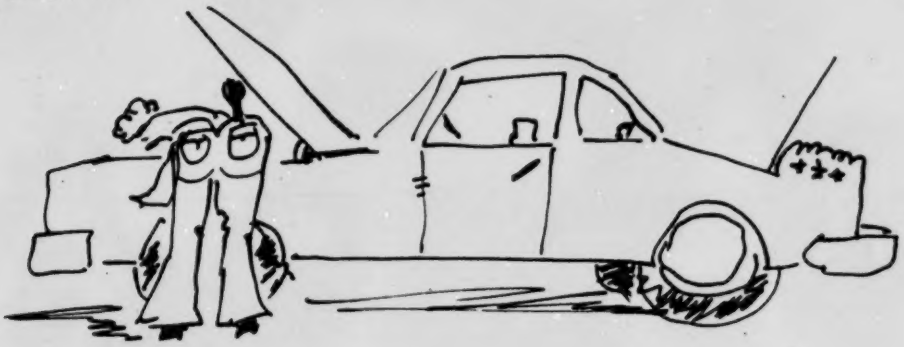
C. Write a short paragraph describing the car.

Remember to turn your work in to your teacher. Be sure to put your name on your paper and label it Activity #1.



Now that you have considered the type of car you want, it is time to think about your needs. You may very well find out that what you want and what you need are realistically the same. But keep in mind that this may not always be the case. Wouldn't we all like to have our dream car??? What if this dream car is not what we need???

Take for example, Mrs. Housewife. She bought a sports car that has room for only two people. Mrs. Housewife had two small children, and she just wanted to use her sports car for errands. However, Mrs. Housewife lives twenty miles from town so she does her shopping once a month. Do you know how many grocery bags it takes for a family of four? Not to mention any other shopping that she might need to do. Was this a practical car for her? She does not have room for her two small children much less groceries for a month!!!



Do the activity on the next page; this will help YOU determine YOUR needs. . .

SECTION ONE

Activity #2

Get Worksheet #1 to analyze your feelings about car ownership. When you finish the worksheet, turn it in to your teacher.

Activity #3

"Take Pre 'CAUTION' Set your Priorities Before Driving Away"

Ask your teacher for Worksheet #2. Be sure you complete this entire activity before proceeding in this capsule. Turn your worksheet in to your teacher when you are finished.

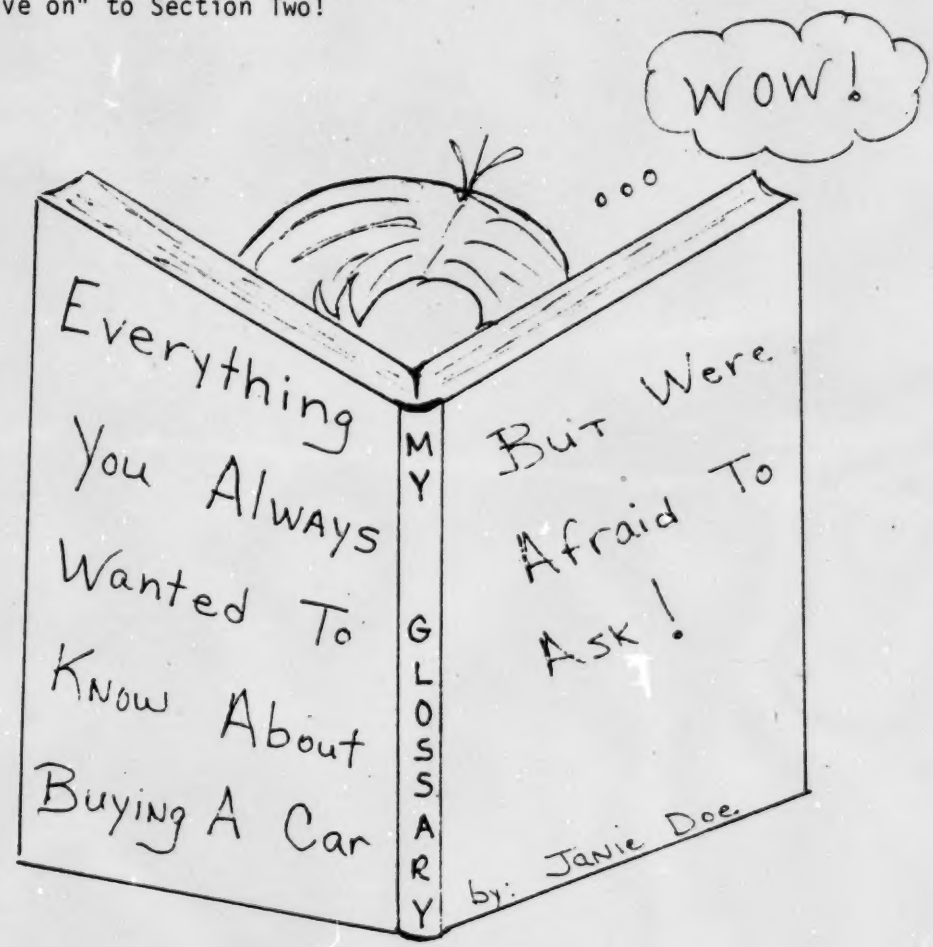
Activity #4

Get the game "Dial-A-Car" from your teacher. You can do this alone or with a friend. After playing the game write a paragraph discussing what you learned or pick two or three of the situations you faced in the game and elaborate on how you made your decision. Turn your paper in to your teacher when you are finished.

SECTION ONE--SELF CHECK

Make a glossary of terms that someone would need when shopping for a car. Show your work to your teacher.

After satisfactorily completing this self-check, you can "drive on" to Section Two!

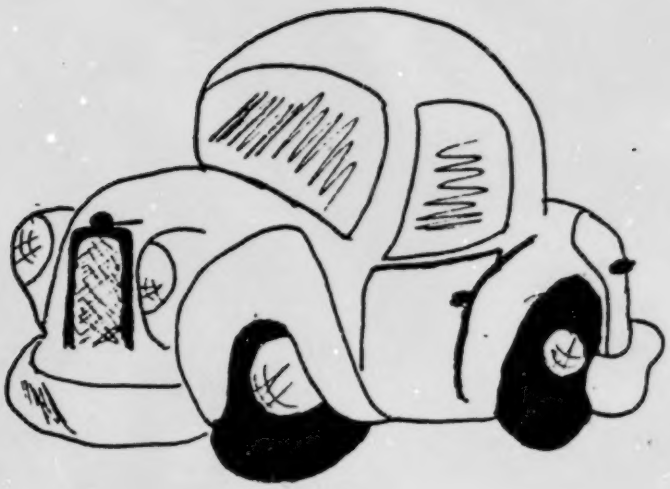


SECTION 2

After completing this section, you "auto" be able to:

* identify the advantages of buying a new car over a used one.

* identify the advantages of buying a used car over a new one.



You have now completed the first section on needs and wants. Section Two will deal with the advantages and disadvantages of buying a new and/or used car.

Read the story, "Advantages -versus- Disadvantages" on the following pages. The story will tell you everything you ever wanted to know about the advantages and disadvantages of buying new and used cars.

AND MORE!

Then complete the activities for Section Two. . . . . .

DO YOU KNOW

THE SCORE???

HERE'S THE SCORE. . .

ADVANTAGES	DISADVANTAGES
04	00

DAVE: Hey, you really look bad, what's bugging y u?

BILL: Oh it's a real bummer, man. My parents told my sister she could take the car that we have been sharing with her to college next week.

BILL: What a hassle! I won't have any wheels to get to work or school much less for dates. Sue will drop me flat when she finds out that I don't have a car!!

DAVE: We will figure out something; you can ride to school with me.

BILL: I guess it's back to bumming rides.

DAVE: Hey, why don't you ask your old man to buy you a car?

BILL: Are you kidding? After they pay for my sister's college expenses, they won't have any extra money to buy me a car.

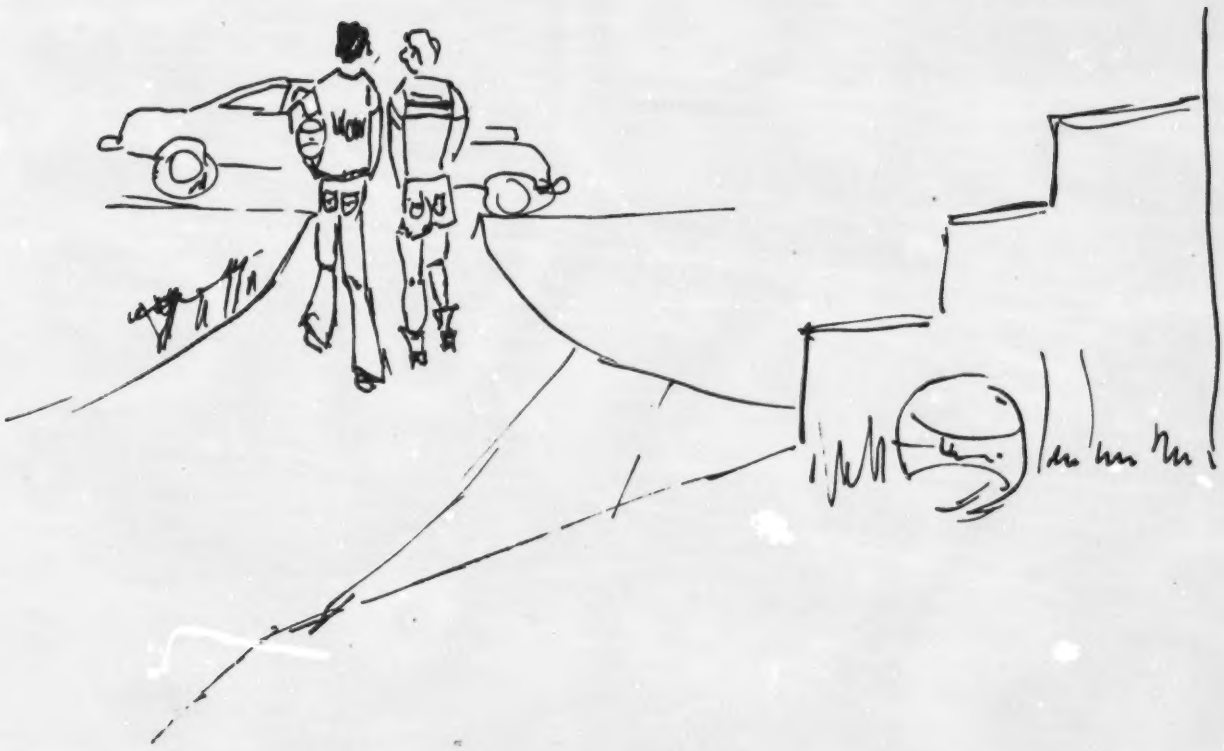
DAVE: Yeah, I know. My two older brothers are in college. All my parents talk about is how much money college costs.

BILL: Well, how did you get your car?

DAVE: For the last 3 summers, I worked in that shoe factory downtown. It was hard work, but I made enough money to buy this car.

BILL: It sure is nice, and you don't have to share it with anyone either.

BAVE: You have been working at the Pizza Place, Bill, don't you have any money saved?



BILL: Yeah, that's just what I was thinking about as you drove up. I could probably buy a used car with the money that I have saved, but it would take all of my savings. So, I thought about buying a new one and using most of my money for a down payment, then my monthly payments would not be so high, and yet I would still have some money in savings.

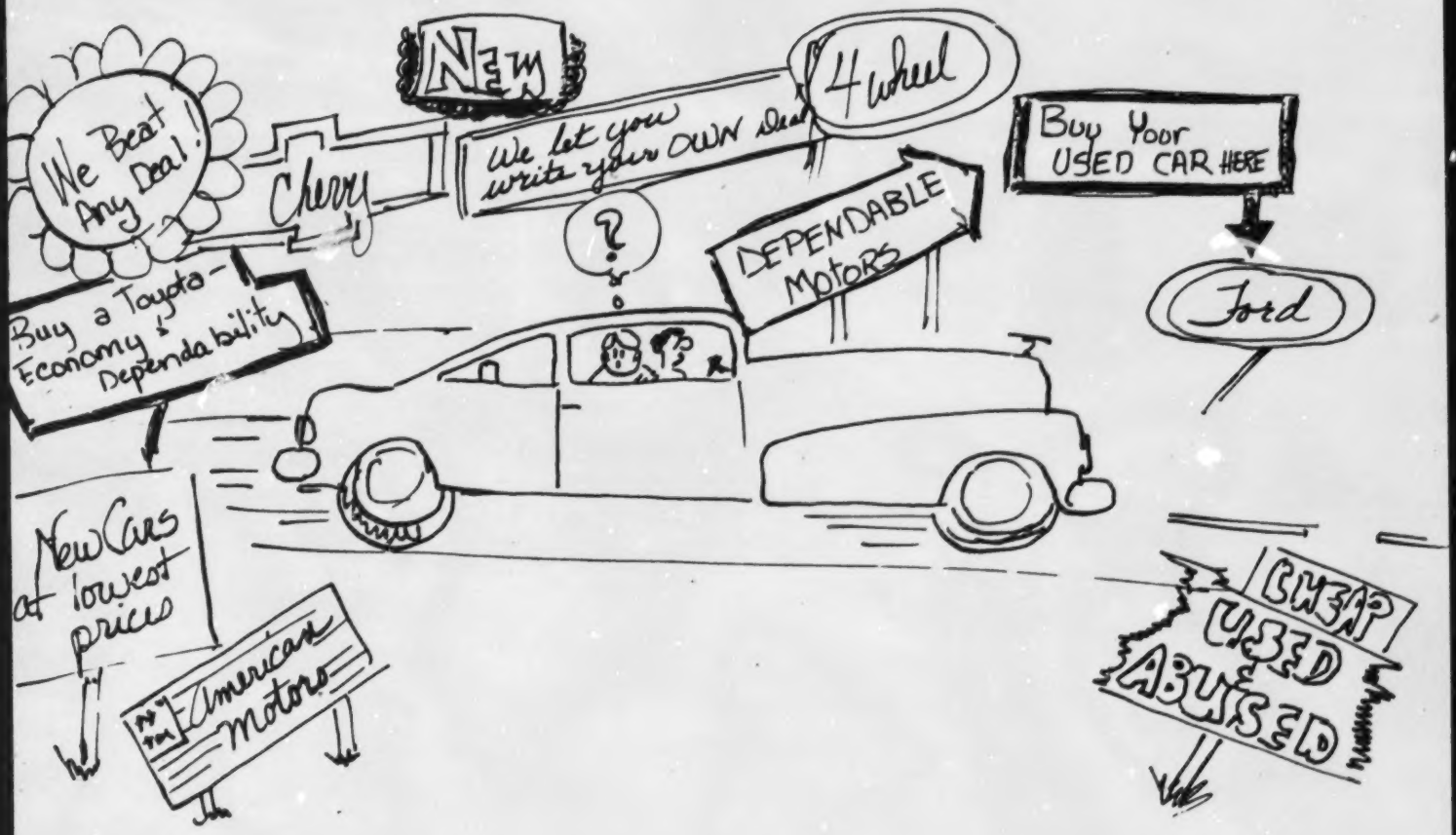
DAVE: It sounds like you have some heavy decisions to make. What you really need to do is decide if you want a new car or a used car.

BILL: I guess you are right; but I don't even know where to begin.

DAVE: My uncle is a car mechanic Maybe he can give you some tips to help you decide. Want to go talk to him?

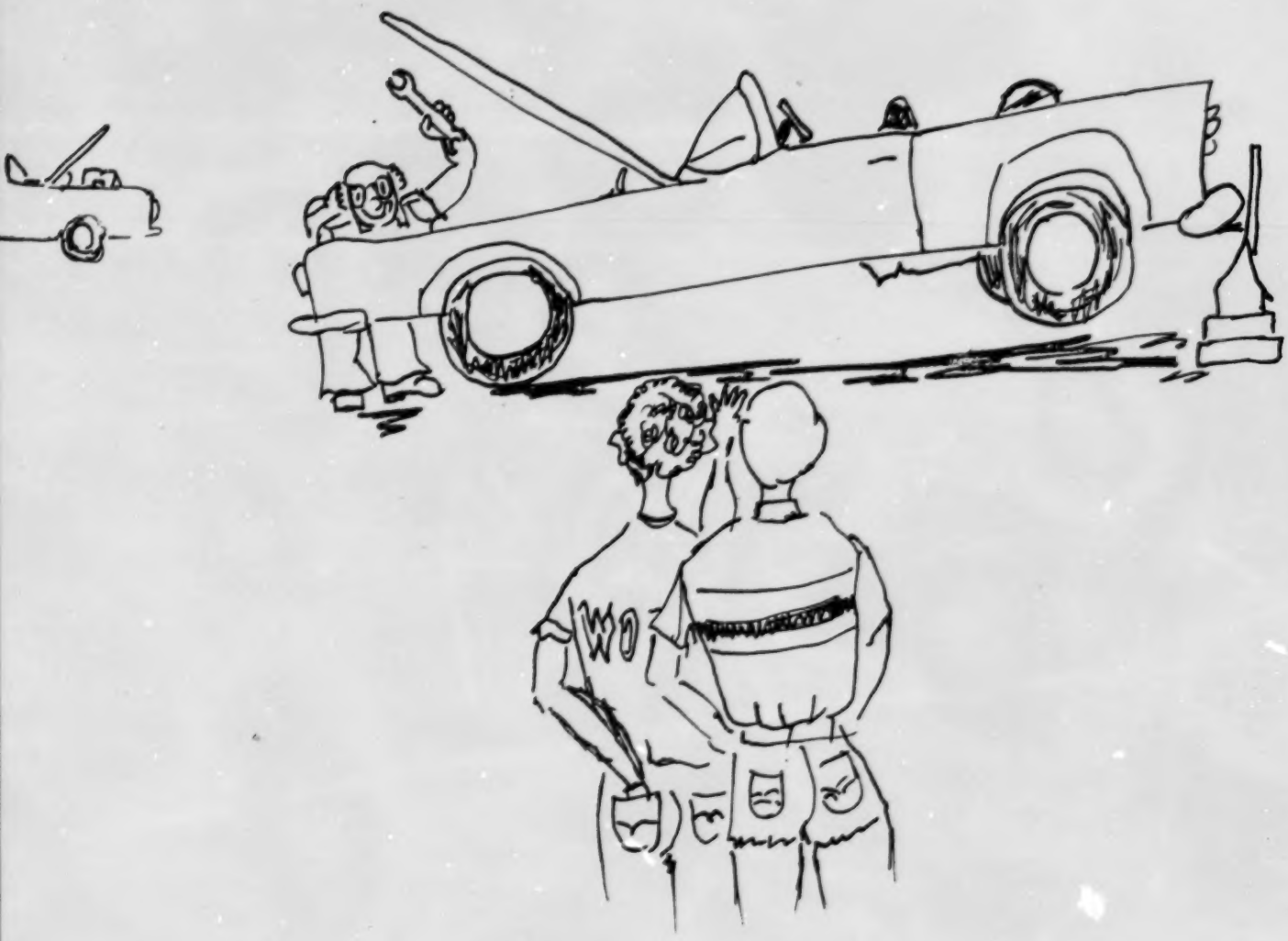
BILL: Sure, if you think he can help.

DAVE: Cars are his life. Come on, let's go talk to him.



BILL: Look at all these car dealerships. I never realized that buying a car would be so hard.

DAVE: Here we are. Come on, let's see if my uncle is busy.



DAVE: Hi, Uncle Joe, this is my friend, Bill.

BILL: Hello, Mr. Doe; nice to meet you.

DAVE: Bill needs a car and he can't decide whether to buy a new car or a used car. Can you give him some pointers?

UNCLE JOE: Why sure, Dave; I'd be happy to help. Why don't you boys step inside the office there and I'll be right with you as soon as I finish this car.

BILL: Hey, Dave, thanks for bringing me down here! I feel better already.

UNCLE JOE: Okay, Bill, now there are some very important questions that you have to answer for yourself in making this decision. I can point out advantages or disadvantages to you, but the decision to buy a new or used car is up to the individual.

BILL: I know it's a big decision, but I really need some wheels bad, and I can use all the advice you have to offer.

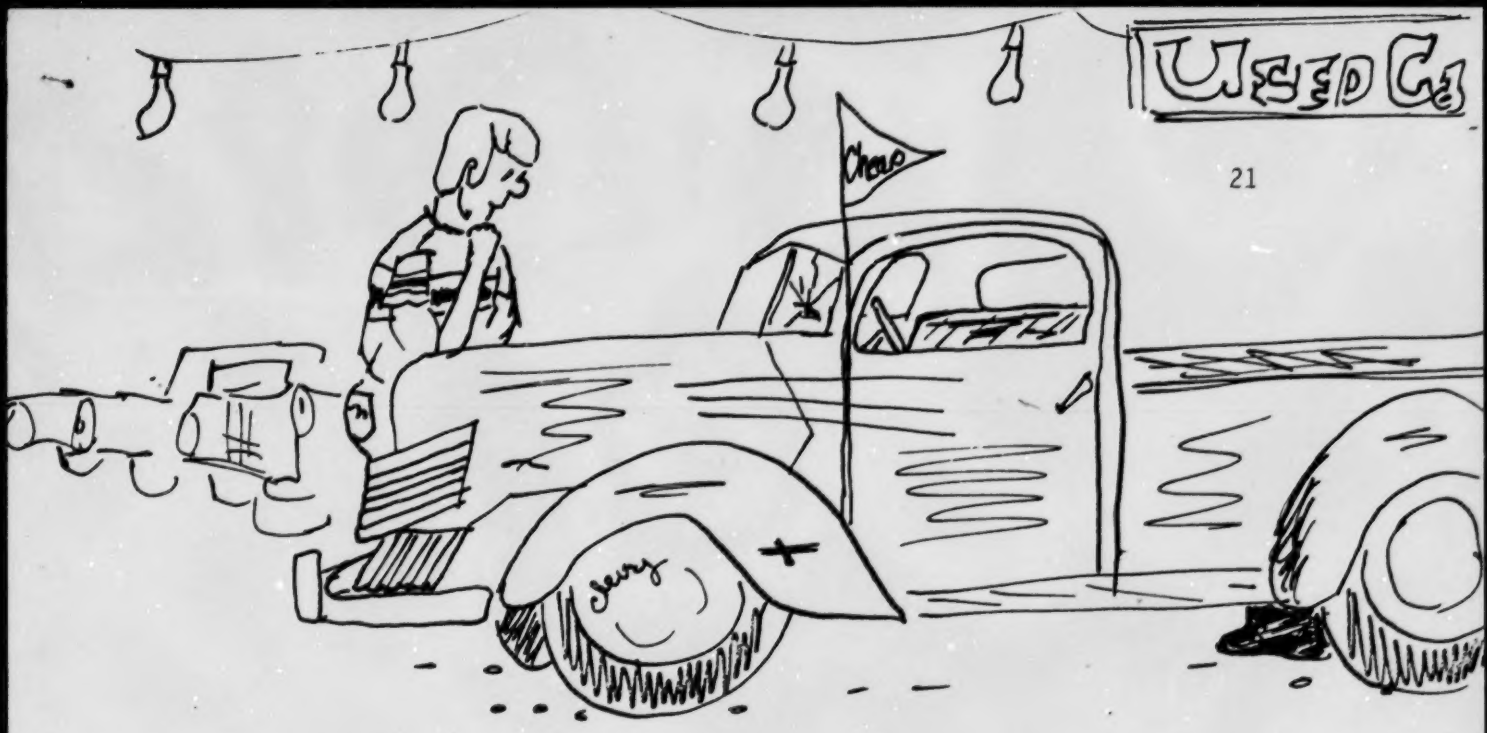
UNCLE JOE: Okay, boys, let's begin with a tour of the new car lot.

UNCLE JOE: First of all, there are some obvious advantages to owning a new car: They are: appearance, comfort, reliability, & warranties.

DAVE: So really, Uncle Joe, what a person should do is to decide which is most important to them, in terms of appearance, comfort, reliability and warranties as opposed to the higher costs associated with a new car.

UNCLE JOE: That's right, Dave. New cars are not only more costly in terms of initial expense but also insurance costs and taxes are higher than on a used car. In addition, depreciation is higher on a new car than on a used one.

BILL: Boy, there sure is a lot to think about. Let's see, with a new car I should consider: appearance, comfort, reliability, & warranties versus higher initial cost, insurance rates, taxes, & rate of depreciation before I buy.



UNCLE JOE: Now Bill, we are just beginning. There are other factors that might be important to each individual, such as personal tastes and values which affect the decision.

DAVE: How about checking out the used car lot, Uncle Joe?

UNCLE JOE: That is a good idea, Dave. It's always important to consider all of the alternatives.

BILL: Well, if I were buying a used car, what factors should I consider?

UNCLE JOE: Actually, Bill, the advantages of buying a used car are simply the disadvantages of buying a new car.

BILL: Oh, I get it! With used cars the initial expense is lower, depreciation is less, insurance costs are lower, and personal taxes are lower whereas these items are all higher when you purchase a new car. Sounds great!!!

DAVE: But Uncle Joe, aren't there some disadvantages of buying a used car?

UNCLE JOE: Right, Dave. First of all you will always have to worry about careless previous owners. Usually with a used car, repairs will be more frequent so your repair bills will increase. In purchasing a used car, boys, remember there will be little or no warranty.

BILL: Wow!! This is really the PITS!!! So much to think about. I never knew it would be such a big decision in buying a car.

UNCLE JOE: You need to go home and discuss these things with your parents, Bill, and before you buy be sure you have considered all of these points. . . . . .

→ NEW CARS

Advantages

- → Appearance
- → Comfort
- → Reliability
- → Warranty

Disadvantages

- → Expensive
- → Higher Insurance
- → Higher Taxes
- → More Depreciation

→ USED CARS

Advantages

- → Lower Costs
- → Lower Taxes
- → Lower Insurance Costs
- → Less Depreciation

Disadvantages

- → Repair Bills
- → No Warranty
- → Careless Previous Owner

DAVE: Thanks, Uncle Joe, for your help. We will be back if we have any more questions.

BILL: Yea! Thanks! Boy am I confused!

BILL: Well, Dave, thank you for taking me to meet your uncle. I learned a lot!

DAVE: That's okay, Bill. I hope he helped you out. Wow, I didn't realize there was so much to learn myself! What are you going to do now?

BILL: I think I'll talk it over with my parents and make my decision soon.

Bill tells his dad all he learned at the dealership about buying new or used cars.

ACTIVITY #5

Get Worksheet #3 and fill in the captions as if you were Bill. In the first cloud list the 4 most important advantages for buying a new car. In the second cloud, list the 4 most important advantages of buying a used car. In cloud 3, list Bill's decision in your own words. This is a big responsibility--give it some thought before you decide. When you are finished, hand this worksheet in to your teacher.

Activities!!

ACTIVITY #6

Develop a survey in checklist form on the advantages and disadvantages of buying new and used cars. Survey different age groups and compare their feelings. Write up the results of your survey for an article to your school newspaper.

DO:

ACTIIVITY #7a

Find an article in a consumer magazine on buying new or used cars. Summarize this information by:

a. writing a paragraph

b. writing a riddle

c. making a poster or a bulletin board display

Share this information in an oral report to 3 other classmates.

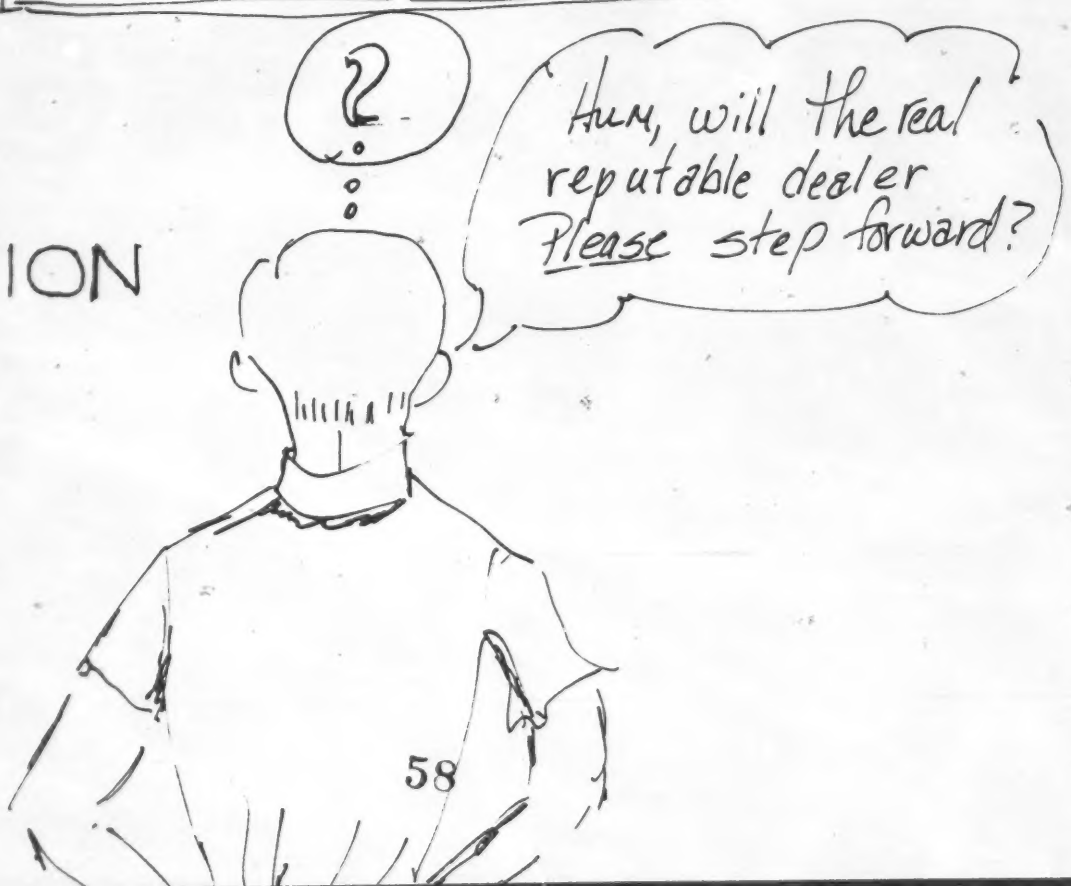
OR . . .

DO:

ACTIVITY #7b

Write a newspaper article for the school paper on the advantages and disadvantages of buying either a new or a used car.

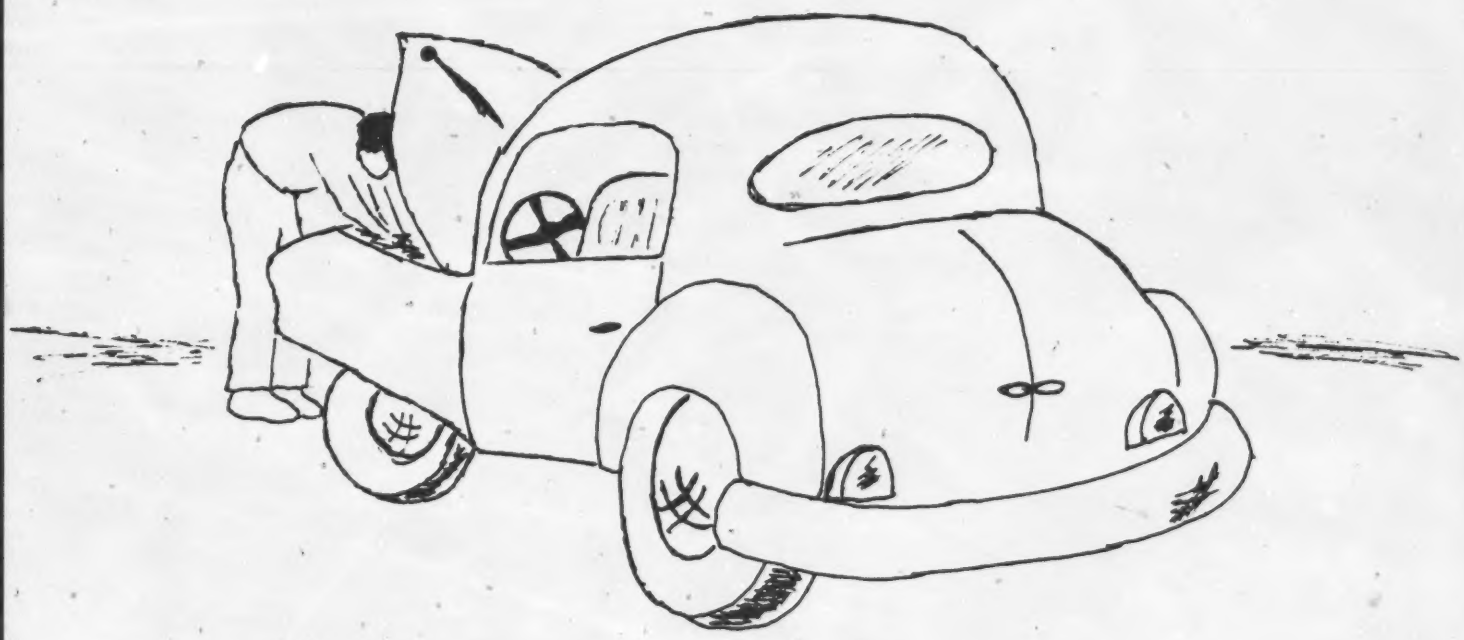
To Tell The Truth


?
Hum, will the real reputable dealer Please step forward?

SECTION 3

After completing this section, you "auto" be able to:

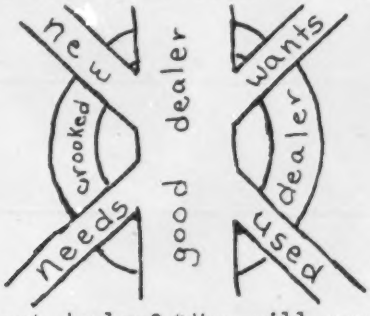
* determine how to select a reputable car dealer.



Educating the consumer can be dangerous. . . they might remember to shop for a . . putable dealer as well as a nice car.

After completing Sections 1 and 2 of this capsule, you should have a good idea about your car needs and wants and the advantages and disadvantages of buying new and used cars.

The next road you need to drive on is the dealer's road.



Will you choose the best dealer? How will you know if the car dealer you are talking to is reputable or not? Well, read on. . .

The first step in deciding who is a reputable dealer is to ask any friends or family about their dealings with this individual. Next, you should check with the Better Business Bureau in your area. The Better Business Bureau should be listed in your telephone directory.

Now you can make a trip to the car dealer's lot, buy don't let your guard down yet! First, be cautious of extravagant ads or flamboyant claims. For example, no good bank would back up a claim like $1 down. Next you should let the dealer know you are shopping around. This way the dealer will have to make you an offer that matches the competition.

If you have a trade in, you can check the going price on that model. This information is available in the Blue Book and the Red Book. The Blue Book, which is a monthly checklist published by an auto's dealers' association, is also called the N.A.D.A. Official Used Car Guide. The Red Book by comparision is prepared by a market survey firm. Both of these books are available at credit unions and banks.

Next you will need to guard against tricky sales tactics. The dealer may offer you a high trade-in price, but at the same time charge you a high price for the car you want to buy. This tactic is called a "high ball".

Another tactic may be to get you excited about a car by quoting a low price, but then when you are ready to buy, the dealer will decide that's not the price at all. The idea is to get you interested enough to buy the car anyway. This tactic is called a "low ball".

A third tactic is "padding". This practice charges you for service which has already been done. You can avoid this by asking for the "dealer's preparation checklist" and you'll have a list of what has been done to the car.

Another common sales tactic is "bait and switch". This is where the dealer gets you into the store with an ad for "car A" and then convinces you "car B" is a better car.

Sometimes a dealer will hike the price of the car you wish to buy after you have made the deposit or lower trade-in. This tactic is called "pushing".

If you are buying a new car be sure to get a written warranty. and make sure the dealer has service facilities.

Whether buying a new or a used car, be wary of buying from a friend or relative. Remember they don't offer warranties.

At last and most important, you should have the car checked out by a mechanic. This way the dealer can't easily make false claims. Even though this will cost you, it will be well worth the money.

ACTIVITY #8

Call or write your local Better Business Bureau. Ask them for information on the reputation of 3 of the local dealers. Report your findings to your teacher.

OR

ACTIVITY #9

Survey your community selecting individuals from at least ten different occupations. Ask them about their experiences with the car dealers in your city. If you have purchased a car, include your own experiences. Report your findings to your teacher.

THEN

ACTIVITY #10

Arrange for a guest speaker to come to your class and discuss the results of the information you gathered in Activity 8 or 9.

OR

ACTIVITY #11

Visit a car dealer, explain your project. Ask the dealer to help you interpret the results of the survey.

ACTIVITY #12

Read the case studies on Worksheet #4 and discuss how you would react to the situations.

ACTIVITY #13

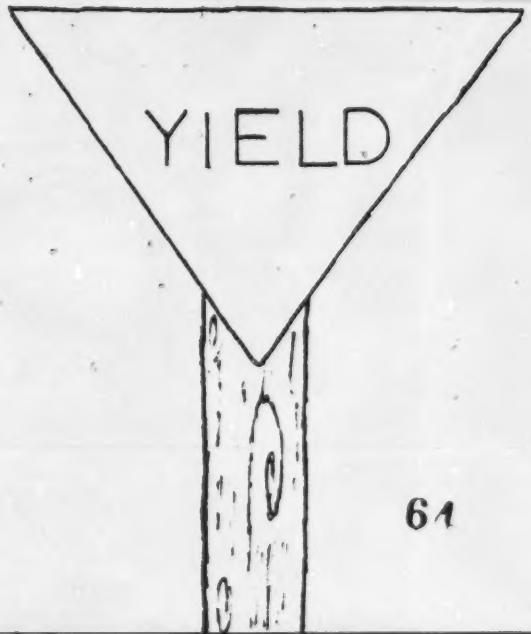
Write a skit, a poem or compose a song about a fictitious character. This person has not seen this capsule on buying a new or used car. Address the points discussed in this capsule: determining needs & wants, listing advantages & disadvantages and selecting a reputable dealer. Present this to your class or another classroom within your building.

SELF-CHECK

Answer the following questions about choosing a reputable dealer on your own paper and hand it in to your teacher when you have finished.

After completing this Self-Check satisfactorily you should be ready for the Post-Test. Get the Post-Test from your teacher.

1. How do you establish who is a reputable dealer?
2. What type of individual would you trust most?
3. What do you base your judgments on?
4. What type of dealer would you most likely choose? (PICTURE him as completely as possible. If you are buying a used car, apply this to the person you are dealing with. Mention any previous experience you may have that will influence your choices here.)

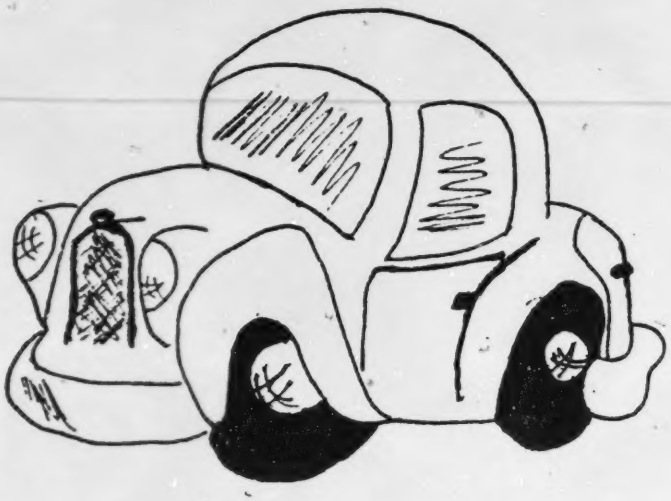


QUEST

#1. See the filmstrip "Wheels and Deals" by Household Finance. Then pick one of the topics that the filmstrip discussed that was not introduced in this capsule such as controlling operating costs and find more information about your selected topic in your school library. Discuss a way with your teacher for summarizing what you learned.

#2. "Here's How To Buy A Used Car" -17mm. #10492 1 each discussion

Modern Talking Picture Service
Film Scheduling Center
500 Park Street North
St. Petersburg, Florida 33709



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